House Committee on Appropriations

Minutes of Meeting 2019 Regular Session May 20, 2019

I. CALL TO ORDER

Representative Franklin Foil, vice chairman of the House Committee on Appropriations, called the meeting to order at 9:09 a.m. in Room 5, in the State Capitol in Baton Rouge, Louisiana.

II. ROLL CALL

MEMBERS PRESENT:

Representative Cameron Henry, chairman

Representative Franklin J. Foil, vice chairman

Representative Mark Abraham

Representative Beryl A. Amedée

Representative James K. Armes, III

Representative Tony Bacala

Representative Lawrence A. "Larry" Bagley

Representative John A. Berthelot

Representative Robert E. Billiot

Representative Gary M. Carter, Jr.

Representative Rick Edmonds

Representative Julie Emerson

Representative Reid Falconer

Representative Lance Harris

Representative Valarie Hodges

Representative Walt Leger, III

Representative Jack G. McFarland

Representative Blake Miguez

Representative Dustin Miller

Representative Steve E. Pylant

Representative Scott M. Simon

Representative Patricia Haynes Smith

Representative Jerome "Zee" Zeringue

MEMBERS ABSENT:

Representative Charles R. Chaney Representative Jerome Richard

STAFF MEMBERS PRESENT:

Alexis Normand, Attorney Adrienne Wood, Attorney Jane Schoen, Secretary

ADDITIONAL ATTENDEES PRESENT:

Faye Talbot, Sergeant at Arms

III. DISCUSSION OF LEGISLATION

House Bill No. 272 by Representative Chad Brown

Representative Chad Brown presented House Bill No. 272, which provides for insurance coverage for acupuncture.

Ms. Valerie Viosca, Acupuncture Association of Louisiana, 933 Burgundy Street, New Orleans, LA 70116, (504) 717-5111, spoke in support of House Bill No. 272.

Mr. David Lavergne, Blue Cross Blue Shield of Louisiana, 5525 Reitz Avenue, Baton Rouge, LA 70809, (225) 252-6501, spoke in opposition to House Bill No. 272.

Representative Foil offered a motion to voluntarily defer action on House Bill No. 272. Without objection, action on House Bill No. 272 was voluntarily deferred by a vote of 15 yeas and 0 nays. Representatives Foil, Amedée, Armes, Bacala, Berthelot, Billiot, Edmonds, Emerson, Falconer, Lance Harris, Leger, Miguez, Dustin Miller, Pylant, and Smith voted yea.

Witness cards submitted by individuals who did not speak are as follows: 1 in opposition and 1 for information only.

House Bill No. 38 by Representative Hoffmann

Representative Hoffmann presented House Bill No. 38, which raises the minimum age relative to the distribution, sale, purchase, or possession of tobacco products, alternative nicotine products, or vapor products.

Ms. Jennifer Hunter, Altria Client Services, 6601 West Broad Street, Richmond, VA 23230, provided Exhibit B, which is included in the committee records.

Mr. Ryan Haynie, Haynie & Associates, P.O. Box 44032, Baton Rouge, LA 70804, (225) 336-4142, provided Exhibit A, which is included in the committee records.

Representative Armes offered amendments to provide exemptions for active members or veterans of the armed forces and a motion to adopt the proposed amendments, to which Representative Miguez objected.

Representative Miguez offered substitute conceptual amendments to allow all first responders as well as active members or veterans of the armed forces to be exempt from this bill, to which Representative Armes objected. The secretary called the roll, and the amendments were adopted by a vote of 13 yeas and 5 nays. Representatives Abraham, Amedée, Bacala, Berthelot, Billiot, Edmonds, Emerson, Falconer, Lance Harris, McFarland, Miguez, Pylant, and Simon voted yea. Representatives Foil, Armes, Dustin Miller, Smith, and Zeringue voted nay.

Representative Armes offered a motion to withdraw the amendments to only provide exemptions for active members or veterans of the armed forces.

Chairman Henry in the chair.

On behalf of Representative Hoffman, Representative Henry offered amendments for those turning 18 years of age through August 31, 2019. After discussion, Chairman Henry withdrew the amendments.

Representative McFarland offered a conceptual amendment to include the new date for anyone reaching the age of 18 by December 31, 2019. Representative McFarland offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 19 yeas and 0 nays. Representatives Henry, Foil, Abraham, Amedée, Armes, Bacala, Berthelot, Billiot, Edmonds, Emerson, Falconer, Lance Harris, Leger, McFarland, Miguez, Dustin Miller, Pylant, Simon, and Smith voted yea.

Mr. Alan Boxberger, Legislative Fiscal Office, 900 North Third Street, 18th Floor, Baton Rouge, LA 70802, (225) 342-7233, spoke for information only on House Bill No. 38.

Mr. Jeff Williams, Louisiana State Medical Society, 6767 Perkins Road, Baton Rouge, LA 70808, (225) 763-8500, spoke in support of House Bill No. 38.

Mr. Lance Babour, American Cancer Society Cancer Action Network, 10528 Kentshire Court, Baton Rouge, LA 70810, (337) 692-2822, spoke in opposition to House Bill No. 38.

Mr. Mike Donahue, Shop Rite Convenience Stores, 115 East First Street, Crowley, LA 70526, (337) 783-8696, spoke in opposition to House Bill No. 38.

Ms. Tonia Moore, Louisiana Campaign for Tobacco Free Living, 1515 Poydras Street, Suite 1200, New Orleans, LA, (504) 301-9800, spoke for information only on House Bill No. 38.

Ms. Heather Hutton, Louisiana Vaping Association, no address or phone number provided, (504) 541-4914, spoke in opposition to House Bill No. 38.

Ms. Victoria Wood, The Vaping Tiger, 2812 Athania Parkway, Metairie, LA 70002, (504) 218-4400, spoke in opposition to House Bill No. 38.

Mr. Jeff Weber, Smoke Free Alternative Trade Association, 4344 Earhart Boulevard, Suite C, New Orleans, LA 70125, (310) 405-4883, spoke in opposition to House Bill No. 38.

Representative Pylant offered a motion to report House Bill No. 38 with amendments, to which Representative Miguez objected. Representative Miguez offered a substitute motion to involuntarily defer action on House Bill No. 38, to which Representative Pylant objected. The secretary called the roll, and the motion to involuntarily defer action failed to pass by a vote of 9 yeas and 10 nays. Representatives Abraham, Amedée, Billiot, Emerson, Falconer, Lance Harris, Miguez, Dustin Miller, and Simon voted yea. Representatives Henry, Foil, Armes, Bacala, Berthelot, Edmonds, Leger, McFarland, Pylant, and Smith voted nay.

The original motion to report House Bill No. 38 with amendments was considered. Without objection, House Bill No. 38 was reported with amendments by a vote of 19 yeas and 0 nays. Representatives Henry, Foil, Abraham, Amedée, Armes, Bacala, Berthelot, Billiot, Edmonds, Emerson, Falconer, Lance Harris, Leger, McFarland, Miguez, Dustin Miller, Pylant, Simon, and Smith voted yea.

Witness cards submitted by individuals who did not speak are as follows: 12 in support and 9 in opposition.

Senate Bill No. 180 by Senator Allain

Senator Allain presented Senate Bill No. 180, which provides relative to the recovery of certain monies expended from the Oilfield Site Restoration Fund.

Mr. Tyler Gray, Louisiana Mid-Continent Oil & Gas Association, 730 North Boulevard, Baton Rouge, LA 70802, (225) 387-3205, spoke in support of Senate Bill No. 180.

Mr. Richard Ieyoub, Office of Conservation, no address provided, (225) 342-5500, spoke for information only on Senate Bill No. 180.

Mr. John Adams, Office of Conservation, P.O. Box 92475, Baton Rouge, LA 70804, (225) 342-5560, spoke for information only on Senate Bill No. 180.

Representative Miguez offered a motion to report Senate Bill No. 180 favorably. Without objection, Senate Bill No. 180 was reported favorably by a vote of 20 yeas and 0 nays. Representatives Henry, Abraham, Amedée, Bacala, Bagley, Berthelot, Billiot, Gary Carter, Edmonds, Emerson, Falconer, Lance Harris, Leger, McFarland, Miguez, Dustin Miller, Pylant, Simon, Smith, and Zeringue voted yea.

Witness cards submitted by individuals who did not speak are as follows: 2 in support and 1 for information only.

House Bill No. 295 by Representative Hill

Representative Hill presented House Bill No. 295, which provides for a magistrate judge in the 14th IDC.

Representative Moss, District 33, 1918 Maplewood Drive, Sulphur, LA 70663, (337) 625-5170, co-author of House Bill No. 295, spoke in sponsorship of the measure.

Representative Smith offered a motion to report House Bill No. 295 favorably. Without objection, House Bill No. 295 was reported favorably by a vote of 16 yeas and 0 nays. Representatives Abraham, Amedée, Bagley, Berthelot, Billiot, Gary Carter, Edmonds, Emerson, Falconer, Lance Harris, Leger, McFarland, Dustin Miller, Pylant, Simon, and Smith voted yea.

Senate Bill No. 116 by Senator Hensgens

Senator Hensgens presented Senate Bill No. 116, which provides for the transfer of certain deposits and safe deposit box contents to the unclaimed property division of the Department of the Treasury.

Representative Edmonds offered a motion to report Senate Bill No. 116 favorably. Without objection, Senate Bill No. 116 was reported favorably by a vote of 16 yeas and 0 nays. Representatives Abraham, Amedée, Bagley, Berthelot, Billiot, Gary Carter, Edmonds, Emerson, Falconer, Lance Harris, Leger, McFarland, Dustin Miller, Pylant, Simon, and Smith voted yea.

Witness cards submitted by individuals who did not speak are as follows: 2 in support and 1 for information only.

Senate Bill No. 22 by Senator Johns

Senator Johns presented Senate Bill No. 22, which dedicates funds from certain litigation filed by the state to recover damages.

Representative Foil offered amendments to: (1) clarify the source of the proceeds in the fund; and (2) prohibit the dedication of recovered funds in the Calcasieu River Bridge Fund from being admissible in any trial or litigation.

Representative Foil offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 18 yeas and 0 nays. Representatives Foil, Abraham, Amedée, Bacala, Bagley, Berthelot, Billiot, Gary Carter, Edmonds, Emerson, Falconer, Lance Harris, Leger, McFarland, Dustin Miller, Pylant, Simon, and Smith voted yea.

Representative Abraham offered a motion to report Senate Bill No. 22 with amendments. Without objection, Senate Bill No. 22 was reported with amendments by a vote of 18 yeas and 0 nays. Representatives Foil, Abraham, Amedée, Bacala, Bagley, Berthelot, Billiot, Gary Carter, Edmonds, Emerson, Falconer, Lance Harris, Leger, McFarland, Dustin Miller, Pylant, Simon, and Smith voted yea.

Witness cards submitted by individuals who did not speak are as follows: 1 in support.

Senate Bill No. 181 by Senator Hewitt

On behalf of Senator Hewitt, co-author Representative Rick Edmonds presented Senate Bill No. 181, which provides relative to the classification, revision, dedication, or repeal of certain funds in the state treasury.

Representative Edmonds offered amendments to: (1) change the fund categorization from a distinct means of finance to fees and self-generated revenue for reporting purposes only; (2) change dates for reporting by the division of administration from Oct. 1, 2019, to Aug. 1, 2019, and the state treasurer from beginning Feb. 1, 2020, to on or before Feb. 1, 2020; (3) change dates for the subcommittee to hold meetings to review funds from prior to the 2020 R.S. to prior to Jan. 15, 2020; (4) authorize the subcommittee to schedule the funds for meetings between Aug. 15th and Jan. 15th each fiscal year and to amend the schedule; and (5) make technical corrections.

Representative Edmonds offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 17 yeas and 0 nays. Representatives Foil, Abraham, Amedée, Bacala, Bagley, Berthelot, Billiot, Edmonds, Emerson, Falconer, Lance Harris, Leger, McFarland, Dustin Miller, Pylant, Simon, and Smith voted yea.

Representative Edmonds offered a motion to report Senate Bill No. 181 with amendments. Without objection, Senate Bill No. 181 was reported with amendments by a vote of 17 yeas and 0 nays. Representatives Foil, Abraham, Amedée, Bacala, Bagley, Berthelot, Billiot, Edmonds, Emerson, Falconer, Lance Harris, Leger, McFarland, Dustin Miller, Pylant, Simon, and Smith voted yea.

Witness cards submitted by individuals who did not speak are as follows: 1 for information only.

House Bill No. 587 by Representative Marino

Representative Marino presented House Bill No. 587, which levies a state tax on the net proceeds of sports wagering, dedicates the avails of the tax, and imposes certain gaming fees.

Senator Daniel Martiny, District 10, 131 Airline Highway, Suite 201, Metairie, LA 70001, (504) 834-7676, spoke to committee about his companion bill, Senate Bill No. 153, as it relates to House Bill No. 587.

On behalf of Representative Marino, Representative Foil offered amendments to: (1) create the Sports Wagering Enforcement Subfund within the Riverboat Gaming Enforcement Fund; (2) require fees collected for permits and certificates related to sports wagering activities to be deposited into the subfund; (3) require the monies in the subfund to be used by the Dept. of Public Safety and Corrections, the Dept. of Justice, and the La. Gaming Control Board for expenses related to the regulation, administration, enforcement, and investigation of sports wagering activities; (4) decrease the rate of the tax levied on net proceeds of sports wagering from 15% to 13%; (5) change the amount of money given to the Compulsive and Problem Gaming Fund from 1% of net proceeds of sports wagering or \$500,000, whichever is greater, to 1% of the avails of the tax levied, not to exceed \$500,000. If 1% exceeds \$500,000, then the remainder of the 1% of the avails of the tax collected shall be credited to the La. Early Childhood Education Fund; (6) change the disposition of the avails of the tax levied from two-thirds of the avails being deposited into the La. Early Childhood Education Fund and one-third of the avails to the parish governing authority where the taxable conduct occurred to 10% of the tax dedicated to the La. Early Childhood Education Fund and 2% of the avails of the tax dedicated to the parish governing authority in which the sports wagering occurred, to be distributed proportionately; and (7) make technical changes. Representative Foil offered a motion to adopt the proposed amendments.

Without objection, the amendments were adopted by a vote of 18 yeas and 0 nays. Representatives Foil, Abraham, Amedée, Armes, Bacala, Bagley, Berthelot, Billiot, Edmonds, Falconer, Lance Harris, Leger, McFarland, Dustin Miller, Pylant, Simon, Smith, and Zeringue voted yea.

Ms. Kathleen Benfield, Louisiana Family Forum, 655 St. Ferdinand Street, Baton Rouge, LA, (225) 344-8533, spoke in opposition to House Bill No. 587, and provided a handout, Exhibit C, which is included in the committee records.

Mr. Joseph Exnicios, Chairman, Business Council of New Orleans and The River Region, 1615 Poydras Street, New Orleans, LA 70112, (504) 569-0607, spoke in opposition to House Bill No. 587, and provided a handout, Exhibit D, which is included in the committee records.

Representative Leger offered a motion to report House Bill No. 587 with amendments, to which Representative Edmonds objected. The secretary called the roll, and House Bill No. 587 was reported with amendments by a vote of 12 yeas and 9 nays. Representatives Foil, Armes, Bacala, Bagley, Berthelot, Billiot, Gary Carter, Emerson, Leger, Dustin Miller, Simon, and Smith voted yea. Representatives Abraham, Amedée, Edmonds, Lance Harris, Hodges, McFarland, Miguez, Pylant, and Zeringue voted nay.

Witness cards submitted by individuals who did not speak are as follows: 10 in support, 4 in opposition, and 1 for information only.

House Bill No. 446 by Representative Steve Carter

Representative Steve Carter presented House Bill No. 446, which provides for a voucher program for certain public school students.

Ms. Kelli Bottger, Louisiana Federation for Children, 37397 Cypress Alley Avenue, Gonzales, LA 70737, (225) 936-9800, spoke in support of House Bill No. 446.

Mr. Ryan Gremillion, Louisiana Dept. of Education, 1201 North Third Street, Baton Rouge, LA 70802, (877) 453-2721, spoke in support of House Bill No. 446.

Mr. Kristopher Lewis, South Louisiana Coalition for Education, 2525 West Orice Roth Road, Gonzales, LA 70737, (318) 228-5954, spoke in opposition to House Bill No. 446.

Representative Edmonds offered a motion to report House Bill No. 446 favorably. Without objection, House Bill No. 446 was reported favorably by a vote of 18 yeas and 0 nays. Representatives Henry, Amedée, Armes, Bacala, Bagley, Berthelot, Billiot, Gary Carter, Edmonds, Emerson, Falconer, Lance Harris, Leger, McFarland, Dustin Miller, Pylant, Simon, and Zeringue voted yea.

Witness cards submitted by individuals who did not speak are as follows: 2 in support.

House Bill No. 387 by Representative Jefferson

Representative Jefferson presented House Bill No. 387, which increases the salary of the district attorney.

Representative Bacala offered amendments to change the effective date to increase the district attorney's salary to \$55,000 from July 1, 2022, to July 1, 2021. Representative Bacala offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 17 yeas and 0 nays. Representatives Henry, Amedée, Armes, Bacala, Berthelot, Billiot,

Gary Carter, Edmonds, Emerson, Falconer, Leger, McFarland, Dustin Miller, Pylant, Simon, Smith, and Zeringue voted yea.

Representative Bacala offered a motion to report House Bill No. 387 with amendments. Without objection, House Bill No. 387 was reported with amendments by a vote of 19 yeas and 0 nays. Representatives Henry, Amedée, Armes, Bacala, Bagley, Berthelot, Billiot, Gary Carter, Edmonds, Emerson, Falconer, Leger, McFarland, Miguez, Dustin Miller, Pylant, Simon, Smith, and Zeringue voted yea.

Witness cards submitted by individuals who did not speak are as follows: 13 in support.

House Bill No. 485 by Representative James

Representative James presented House Bill No. 485, which authorizes the levy of an excise tax on cannabis.

Representative Henry offered a motion to report House Bill No. 485 without action. Without objection, House Bill No. 485 was reported without action by a vote of 13 yeas and 0 nays. Representatives Henry, Amedée, Bagley, Billiot, Gary Carter, Edmonds, Emerson, Lance Harris, Leger, Miguez, Dustin Miller, Pylant, and Simon voted yea.

House Bill No. 599 by Representative Lance Harris

Representative Lance Harris presented House Bill No. 599, which reduces the rate of the .45% state sales and use tax levy over a certain period of time.

Mr. Matthew Block, Executive Counsel, Governor John Bel Edwards, no address or phone number provided, spoke in opposition to House Bill No. 599.

Representative Miguez offered a motion to report House Bill No. 599 favorably, to which Representative Smith objected. The secretary called the roll, and House Bill No. 599 was reported favorably by a vote of 12 yeas and 5 nays. Representatives Henry, Amedée, Bagley, Berthelot, Edmonds, Emerson, Lance Harris, McFarland, Miguez, Pylant, Simon, and Zeringue voted yea. Representatives Armes, Billiot, Leger, Dustin Miller, and Smith voted nay.

Witness cards submitted by individuals who did not speak are as follows: 1 in support and 2 in opposition.

IV. OTHER BUSINESS

DISCUSSION OF MEDICAID

Louisiana Department of Health (LDH)

Chairman Henry asked questions regarding additional revenue from the hospitalization stabilization assessment from Speaker Barras' House Concurrent Resolution No. 5 that will be recognized or generated that could free up state general fund. Additionally, questions were posed regarding LDH's overall surplus, Managed Care Incentive Program (MCIP), intergovernmental transfers, enrollment, Managed Care Organizations, and the Medicaid Program.

Dr. Rebekah Gee, Secretary, Louisiana Dept. of Health, 628 North Fourth Street, Baton Rouge, LA 70802, (225) 342-9509, spoke for information only.

Ms. Cindy Rives, Louisiana Dept. of Health, 628 North Fourth Street, Baton Rouge, LA 70802, (225) 342-9509, spoke for information only.

Mr. Stephen Russo, Louisiana Dept. of Health, 628 North Fourth Street, Baton Rouge, LA 70802, (225) 342-9509, spoke for information only.

Department of Revenue and Legislative Auditor

Secretary Kimberly Robinson, Dept. of Revenue, 617 North Third Street, Baton Rouge, LA 70802, (225) 219-4059, spoke for information only.

Mr. Daryl Purpera, Louisiana Legislative Auditor, 1600 North Third Street, P.O. Box 94397, Baton Rouge, LA 70804, (225) 339-3800, spoke for information only.

Chairman Henry asked Ms. Kimberly Robinson, Secretary, Dept. of Revenue, and Mr. Daryl Purpera, Legislative Auditor, to clarify the latest headlines that can legally be discussed with the committee.

Mr. Purpera began by stating the Legislative Auditor's Office, along with Mr. Purpera who also serves on the Task Force for Medicaid Fraud Prevention and Detection, requested certain information from the Dept. of Revenue. The Dept. of Revenue did not believe the law provided them the authority to release such information. The legislative auditor requested an attorney general (AG) opinion and the attorney general opined that it did meet one of the 42 exceptions, this being statistical data, while the Dept. of Revenue did not believe so. With no other choices available, Mr. Purpera requested the courts to render an opinion on whether or not it met the exception.

Secretary Robinson stated the issue and explained that the auditor did not have access to tax records unless auditing the Dept. of Revenue. The task force asked for tax information to compare to Medicaid information, because that information was not available to the auditor.

V. ANNOUNCEMENTS

There were no announcements.

VI. ADJOURNMENT

Representative Pylant offered a motion to adjourn. Without objection, the motion passed by a vote of 13 yeas and 0 nays. Representatives Henry, Amedée, Bagley, Billiot, Gary Carter, Edmonds, Emerson, Lance Harris, Leger, Miguez, Dustin Miller, Pylant, and Simon voted yea.

The meeting was adjourned at 1:25 p.m.

Respectfully submitted,

Chairman Cameron Henry House Committee on Appropriations